

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

JOHN F. MANGAN, JR.,

Defendant,

and

HUGH L. MCCOLL, III,

Relief Defendant.

C.A. No.: 3:06 CV 531

FINAL ORDER AS TO RELIEF DEFENDANT
HUGH L. MCCOLL, III

The Securities and Exchange Commission having filed a Complaint and Relief Defendant Hugh L. McColl, III ("McColl") having entered a general appearance; consented to the Court's jurisdiction over McColl and the subject matter of this action; consented to entry of this Final Order without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Order:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that McColl shall pay \$115,643 (the "Funds"), which the Commission contends to be comprised of \$87,069, which was given to him by defendant John F. Mangan, Jr. ("Mangan"), plus prejudgment interest of \$28,574. The Funds, together with any accrued interest and

income thereon, and subject to paragraph II, below, shall be applied toward the payment of any disgorgement or prejudgment interest which ultimately may be ordered against defendant Mangan. McColl shall satisfy this obligation by paying the Funds within ten business days to the Clerk of this Court, together with a cover letter identifying McColl as a relief defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Order. McColl shall simultaneously transmit photocopies of such payment and letter to Daniel M. Hawke, District Administrator, Securities and Exchange Commission, 701 Market Street, Suite 2000, Philadelphia, PA 19106. By making this payment, McColl relinquishes all legal and equitable right, title, and interest in such Funds and/or any accrued interest and income thereon, and no part of the Funds or any accrued interest or income thereon shall be returned to McColl, except as set forth in paragraph II below. The Clerk shall deposit the Funds into an interest bearing account with the Court Registry Investment System ("CRIS") or any other type of interest bearing account that is utilized by the Court. The Funds, together with any interest and income earned thereon, shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. Consistent with paragraph II below, the Commission may propose a plan to distribute the Fund subject to the Court's approval. McColl shall

pay post-Final Order interest on any delinquent amounts pursuant to the calculation prescribed for post-judgment interest in 28 U.S.C. § 1961.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED and DECREED that, in the event:

- a. this civil action is resolved without any disgorgement or prejudgment interest being ordered against defendant Mangan; or
- b. there is a finding in the civil action that some portion of the \$178,870, representing Mangan's trading profits that the Commission contends to have been unlawfully obtained by Mangan, is not, in fact comprised of ill-gotten gains obtained by Mangan and this finding requires a corresponding reduction of the \$87,069 paid herein by McColl,

this Court will, following the resolution of any related appeals, upon the request of the Commission, instruct the Clerk to return to McColl, the Funds, in the event of paragraph II.a above, or the reduction amount, in the event of paragraph II.b above, along with any interest accrued thereon, less any fees paid to the Court with respect to the returned amount.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein and that McColl shall comply with all of the undertakings and agreements set forth therein.

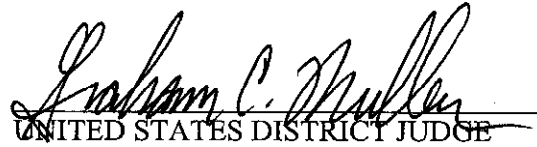
IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Order.

V.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Order forthwith and without further notice.

Dated: 8 Jan 07


UNITED STATES DISTRICT JUDGE